

EXHIBIT K

Baker&Hostetler LLP

45 Rockefeller Plaza
New York, NY 10111

T 212.589.4200
F 212.589.4201
www.bakerlaw.com

David J. Sheehan
direct dial: 212.589.4616
dsheehan@bakerlaw.com

Baker Hostetler

BY ELECTRONIC MAIL

January 21, 2014

Robert S. Loigman, Esq.
Quinn Emanuel Urquhart & Sullivan, LLP
51 Madison Ave., 22nd Floor
New York, NY 10010

RE: **SUBJECT TO FED. R. EVID. 408**
Picard v. Kingate Global Fund, Ltd., et al., Adv. Pro. No. 12-01920 (SMB)

Dear Bob:

As you know, Ms. Strohbehn in your office once again has requested an extension of the current deadline of February 21, 2014, to answer or otherwise respond to the Trustee's (i) complaint in the above-referenced action for injunctive relief, and (ii) application for a preliminary injunction (collectively, "Injunction Action"). To date, we have granted such requests multiple times while the parties engaged in settlement discussions. We thought those discussions were close to fruition, but you terminated them at our last meeting. While the Trustee is always willing to talk, and indeed has agreed to meet with you in late February, the recent activity that the Kingate Funds have taken in connection with the action that you commenced in Bermuda on or about December 22, 2010, against substantially the same defendants that are named as defendants in the Trustee's avoidance action here and seeking funds that we allege constitute customer property ("Bermuda Action") compels us to move forward with the Injunction Action.

If, however, you would stipulate to preserve and set aside any damages or other funds that you recover in the Bermuda Action and not make any distributions until all issues raised in the avoidance action are resolved by a final and nonappealable order, we would agree to adjourn to a mutually agreeable date the present deadline to respond to the Injunction Action. In any event, we may amend the complaint to expressly request such relief. By agreement, we can preserve the status quo, amicably freeze any recovery in Bermuda and thereby conserve the fees and expense of further litigation in that matter.

Please let us know whether you will so stipulate, and we will forward a proposed stipulation to all parties. Thank you.

Sincerely,

David J. Sheehan

Copies: John J. Burke
Xochitl Strohbehn

Atlanta Chicago Cincinnati Cleveland Columbus Costa Mesa Denver
Houston Los Angeles New York Orlando Philadelphia Seattle Washington, DC